

Uintah Basin Assistance Council, Inc.
Roosevelt, Utah
Financial Statements
Year Ended March 31, 2007

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Independent Auditors' Report

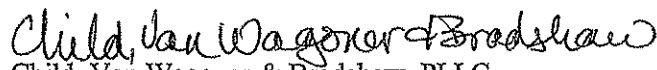
To the Board of Directors
Uintah Basin Assistance Council, Inc.
Roosevelt, Utah

We have audited the accompanying statement of financial position of the Uintah Basin Assistance Council, Inc. (the Organization) as of March 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of March 31, 2007 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated , on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



Child, Van Wagoner & Bradshaw, PLLC
Kaysville, Utah
December 30, 2007

Uintah Basin Assistance Council, Inc.
Statement of Financial Position
March 31, 2007

ASSETS

Current assets:

Cash-unrestricted	\$ 37,444
Cash-PTIF - unrestricted (note 2)	6,178
Accounts receivable	924
Note receivable-related party, current portion (Note 6)	<u>5,016</u>
Total current assets	49,562

Restricted deposits:

Tenant deposits held in trust	<u>3,719</u>
Total restricted deposits	3,719

Property and equipment:

Land	87,253
Buildings	477,091
Construction in progress	172,315
Furniture and equipment	<u>13,238</u>
Total property and equipment	749,897
Less accumulated depreciation	<u>(171,742)</u>
Net property and equipment	578,155

Other assets:

Note receivable-related party, less current portion (Note 6)	<u>8,018</u>
Total other assets	8,018

Total assets	<u><u>\$ 639,454</u></u>
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LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 1,837
Notes payable-current portion (note 3)	<u>12,834</u>
Total current liabilities	14,671

Deposits and prepaid liabilities:

Tenant security deposits	3,900
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Long-term liabilities:

Notes payable-less current portion (note 3)	<u>556,514</u>
Total long-term liabilities	556,514

Net assets:

Unrestricted	<u>64,369</u>
Total net assets	64,369

Total liabilities and net assets	<u><u>\$ 639,454</u></u>
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See accompanying notes to financial statements.

Uintah Basin Assistance Council, Inc.
Statement of Activities
Year Ended March 31, 2007

Support and Revenue:

Management fees	\$ 85,517
Rental income	<u>51,306</u>
Total support and revenue	136,823

Operating Expenses:

Administration	17,215
Depreciation	16,077
Payroll and employee benefits	67,265
Payroll tax	4,582
Insurance	19,525
Telephone	2,920
Travel and entertainment	6,386
Professional fees	17,779
Repairs	5,485
Licenses and permits	100
Utilities	<u>4,363</u>
Total operating expenses	<u>161,698</u>
Change in operating net assets	(24,875)

Non-operating income (expenses):

Interest income	587
Interest expense	<u>(7,655)</u>
Total non-operating income (expenses)	<u>(7,068)</u>

Net change in net assets (31,943)

Net assets at beginning of year	<u>96,312</u>
Net assets at end of year	<u>\$ 64,369</u>

See accompanying notes to financial statements.

Uintah Basin Assistance Council, Inc.
Statement of Cash Flows
Year Ended March 31, 2007

Cash Flows from operating activities:

Change in net assets	\$ (31,943)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	16,077
(Increase) decrease:	
Deposits held in trust	665
Related party advances	9,437
Increase (decrease):	
Accounts payable	(119)
Tenant security deposits	<u>(682)</u>
Net cash provided by operating activities	(6,565)

Cash flows from investing activities:

Principal payments received on notes receivable-related party	<u>5,128</u>
Net cash provided by investing activities	5,128

Cash flows from financing activities:

Principal payments on long-term liabilities	(12,651)
Net proceeds from construction line of credit	<u>14,813</u>
Net cash provided by financing activities	2,162

Net increase in cash	726
Cash and cash equivalents - beginning of year	<u>42,896</u>
Cash and cash equivalents - end of year	<u><u>\$ 43,622</u></u>

Supplemental disclosure of cash flow information:

Cash paid during the year for interest	\$ 7,655
Line of credit draws for construction of duplex	172,315

See accompanying notes to financial statements.

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements
Year Ended March 31, 2007

1. Organization and summary of significant accounting policies

Organization

The Uintah Basin Assistance Council, Inc. (Organization) was organized to provide housing assistance to the low-income population of the Uintah Basin (Duchesne, Daggett and Uintah Counties of Utah) and to acquire, lease, rent or maintain low-income rental properties, to provide rehabilitation funds to eligible low-income families, and to provide other assistance to the same segments of the population.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. In addition, the financial statement presentation follows the recommendations of the Financial Accounting Standards Board in Statement of Financial Accounting Standard (SFAS) No. 117, "*Financial Statements of Not-for-Profit Organizations*". None of the Organization's assets are subject to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets according to SFAS No. 117. The accrual basis of accounting recognizes revenues at the time they are earned. Expenditures are recorded when incurred.

Revenue Recognition

Management fee income is compensation paid to the Organization for managing certain projects. Management fee income is posted on a monthly basis as services are rendered. Rental income is recognized when pervasive evidence of the tenant's compliance with the rental agreement exists and collectability is reasonably assured.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Non-Profit Status

The Organization was organized as a non-profit organization in accordance with the laws of the State of Utah. The Organization has received general exemption from income taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Property and Equipment

Property and equipment is recorded at cost and depreciated using the straight-line method of depreciation over the estimated useful lives of the assets ranging from (5) five to (40) forty years. There have been no impairments to property below carrying value as a result of adopting SFAS No. 144 "*Accounting for the Impairment or Disposal of Long-lived Assets*".

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements (Continued)
Year Ended March 31, 2007

1. Organization and summary of significant accounting policies (continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers unrestricted investment instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents at March 31, 2007 consists of cash and cash-PTIF-unrestricted. Restricted cash held as tenant deposits held in trust is not considered a cash equivalent.

Accounts Receivable and Bad Debts

Accounts receivable consist of tenant rents and management fees receivable. The Organization's customers are primarily low-income rental tenants and management fees from other low income projects in the Duchesne, Daggett and Uintah County areas of Utah that may be affected by changing economic conditions. Management believes that its credit review procedures and tenant deposits have adequately provided for usual and customary credit-related losses. The Organization's policy for charging off tenant receivables is to consider write-down of receivables extending beyond 120 days after significant collection efforts have been made or when the financial condition of tenants warrant charge-off. Tenant receivables are determined to be past due after 30 days regardless of whether partial payments have been received.

2. Deposits and Investments

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the State of Utah Money Management Act (the Act) that relate to the deposit and investment of public funds.

The Organization follows the requirements of the Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of Organization funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Organization's deposits may not be returned. The Organization does not have a formal deposit policy for managing custodial credit risk. As of March 31, 2007, all of the Organization's bank balances of \$57,491 were insured and collateralized.

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements (Continued)
Year Ended March 31, 2007

2. Deposits and Investments (continued)

Investments

The Act defines the types of securities authorized as appropriate investments for the Organization and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with the issuers of the investments securities.

Statutes authorize the Organization to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund.

Through May 2005, statutes also authorized the Organization to invest funds acquired by gift, private grant, and the corpus of funds functioning as endowments according to the rules of the Money Management Council. Rule 2 allows the Organization to invest these funds in any of the above investments or any of the following, subject to satisfying certain criteria: professionally managed pooled or commingled investment funds, or mutual funds which satisfy certain criteria; common stock, convertible preferred stock, or convertible bonds; corporate bonds or debentures; and alternative investments as defined in the rule. As of May 2, 2005, state law allows endowment funds of higher education institutions to be invested in accordance with Board of Regents default investment guidelines or in accordance with policies adopted by the Institution's Board of Trustees and approved by the Board of Regents. Effective June 30, 2005 the Board of Regents has required all institutions to continue investing endowment funds in accordance with Rule 2 of the money management act.

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements (Continued)
Year Ended March 31, 2007

Deposits and Investments (continued)

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares. For the year ended March 31, 2007, the Organization had investments of \$6,178 with the Utah Public Treasurers Investment Fund. The entire balance had a maturity of less than three months.

3. Notes Payable

Notes payable consists of the following at March 31, 2007:

State of Utah – Dated March 16, 2007, construction line of credit not payable until 2008, the total amount of the credit limit available is 347,224. Interest rate is 1.50% and payments are monthly starting February 1, 2008 for 360 payments. The note is secured by land (carrying value of \$15,000) and construction in progress (carrying value of \$172,315).	\$ 187,128
State of Utah – Dated June 15, 1994, payable in monthly installments of \$194 at an interest rate of 0%. The final payment is due March 2024. The note is secured by land (carrying value of \$6,909) and buildings (carrying value of \$21,913.)	39,229
State of Utah – Dated July 11, 1994, payable in monthly installments of \$336 at an interest rate of 0%. The final payment is due July 2024. The note is secured by land (carrying value of \$15,000) and buildings (carrying value of \$88,691).	111,559
State of Utah – Dated March 2, 1998, payable in monthly installments of \$319 at an interest rate of 4%. The final payment is due March 2028. The note is secured by land (carrying value of \$12,844) and buildings (carrying value of \$38,057).	60,270
State of Utah – Dated May 5, 1998, payable in monthly installments of \$240 at an interest rate of 3%. The final payment is due September 2028. The note is secured by land (carrying value of \$10,688) and buildings (carrying value of \$35,217).	44,881
State of Utah – Dated February 9, 2000, payable in monthly installments of \$603 at an interest rate of 3%. Interest began accruing January 1, 2003. Payments began February 1, 2003. The final payment is due February 2032. The note is secured by land (carrying value of \$26,813) and buildings (carrying value of \$92,160).	<u>126,281</u> <u>569,348</u> (12,834) \$ <u>556,514</u>
Less current portion	

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements (Continued)
Year Ended March 31, 2007

3. Notes Payable (continued)

The fair value of notes payable is, in management's estimation, substantially equivalent to the face value of the notes due to the nature and terms of the notes (see also explanation of interest rates below).

Future maturities of long-term debt are as follows:

Year ending March 31:

2008	\$ 12,834
2009	13,224
2010	13,478
2011	13,745
2012	14,028
Thereafter	<u>502,039</u>
	<u>\$ 569,348</u>

As is customary in the low-income housing industry, interest rates on loans used to finance the purchase of low-income housing are, in some cases, substantially below usual prevailing market rates in other industries and many loans bear interest rate subsidies and longer terms than what is customary. As a result, debt discounts based on the future value of the cumulative differences between actual interest rates and prevailing market rates have not been recorded on the Organization's financial statements as the difference between actual interest rates and interest rates that are customary in the industry are not considered material. Management is of the opinion that recording substantial debt discounts based on differences from prevailing rates in other industries would make the financial statements misleading.

4. Functional Allocations of Expenses

Expenditures incurred in connection with the operations and expenditures made for the purpose of the Organization have been summarized on a functional basis in the Statement of Activities.

5. Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Various insurance policies have been purchased to cover the risks described above. The insurance policies require minimal deductible amounts which the Organization pays in the event of any loss. The Organization also has purchased a workers' compensation policy. Settled claims resulting from losses have not exceeded commercial insurance coverage in any of the past three fiscal years.

Uintah Basin Assistance Council, Inc.
Notes to Financial Statements (Continued)
Year Ended March 31, 2007

6. Related Party Transactions

On December 1, 2004, the Organization loaned \$25,000 to Golden Springs Vernal, LLC in which the Organization has an ownership interest. Payments are to be received in monthly installments of \$427 at an interest rate of 1% per annum and the note is unsecured. The Organization received total principal and interest payments in the amount of \$5,127 during the year ended March 31, 2007. The balance receivable at March 31, 2007 is \$13,034. The final payment is due November, 2009.

Future minimum principal repayments are as follows:

For the period ending March 31,

2008	\$ 5,016
2009	5,067
2010	<u>2,951</u>
Total	<u>\$ 13,034</u>

7. Commitments and Contingencies

The Organization leases a copier under a non-cancelable operating lease with monthly payments of \$85 per month. Total expense for the year ended March 31, 2007 is \$1,020. The lease terminates in September 2007.

Future minimum lease payments:

For the period ending March 31

2008	\$ <u>510</u>
Total	<u>\$ 510</u>

**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters based on
an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards**

Board of Commissioners
Uintah Basin Assistance Council
Roosevelt, Utah

We have audited the financial statements of Uintah Basin Assistance Council (the Organization) as of and for the year ended March 31, 2007, and have issued our report thereon dated December 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Organization's financial statement that is more than inconsequential will not be prevented or detected by the Organization's internal control. We consider the deficiency described in the accompanying schedule of findings and questions costs to be a significant deficiency in internal control over financial reporting. See item 07-1 on page 13.

Board of Commissioners
Uintah Basin Assistance Council

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the audit committee, Board of Commissioners, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Child, Van Wagoner & Bradshaw, PLLC
Kaysville, Utah

Uintah Basin Assistance Council, Inc.
Schedule of Findings and Questioned Costs
Year Ended March 31, 2007

07-1 Failure to follow generally accepted accounting principles throughout the year

Condition: The Authority did not record a note payable and the construction in progress costs that were incurred at year end to comply with generally accepted accounting principles. In addition the Authority's policies and procedures do not provide for internal controls sufficient to detect errors in a timely manner.

Criteria: Entities receiving government funding should follow generally accepted accounting principles throughout the year.

Effect: The Authority made adjustments at year end that were needed to accurately report notes payable, and fixed assets.

Cause: The Authority did not record notes payable and fixed assets in a timely manner.

Recommendation: The Authority's personnel must adhere to the basic concepts of generally accepted accounting principles and apply those principles to their financial record keeping. In addition, the Authority's internal controls should include a provision for the timely review, inspection, and monitoring of accounting policies and procedures by persons independent of those who record transactions.

Auditee's Response: See page 15 of this report.

Uintah Basin Assistance Council, Inc.
Schedule of Findings and Questioned Costs-Prior Year
Year Ended March 31, 2007

No matters were reported for the year ended March 31, 2006.

Uintah Basin Assistance Council

58 East 100 North (83-11)

Roosevelt, UT 84066

(435) 722-3952

February 12, 2008

Mr. Scott Farnes
Child, VanWagoner & Bradshaw, PLLC
1284 W. Flint Meadow Drive, Suite D
Kaysville, UT 84037

Re: Response to Audit Finding Year Ended March 31, 2007

Dear Mr. Farnes:

The Uintah Basin Assistance Council periodically receives funds for other entities. The loan to the Uintah Basin Assistance Council was actually made out to the Myton City Housing Authority by the State of Utah. Because the check was made out to Myton City Housing Authority the bookkeepers assumed that it was actually Myton City Housing Authority funds.

The Uintah Basin Assistance Council and the Myton City Housing Authority will make sure deposits are more clearly identified as to which entity they belong to.

If you have any further concerns regarding this issue, please feel free to contact our office or our accountants.

Sincerely,



Jolene Daniels, Executive Director

Client: *Uintah Basin Assistance Council*
Engagement: *AU 2007 - Uintah Basin Assistance Council*
Trial Balance: *TB*
Workpaper: *1400-01 - Trial Balance*

Account	Description	1st PP-FINAL 3/31/2006	UNADJ 3/31/2007	JE Ref #	AJE	JE Ref #	RJE	FINAL 3/31/2007
Group : [4100] Cash & Equivalents								
Subgroup : [4100- Cash-Unrestricted]								
100	Petty Cash	17.00	17.00		0.00		0.00	17.00 4100-01
101	CASH	11,132.00	20,978.00		0.00		0.00	20,978.00 4100-01
104	RESERVE ACCOUNT	13,929.00	16,449.00		0.00		0.00	16,449.00 4100-01
Subtotal [4100-01] Cash-Unrestricted		25,078.00	37,444.00		0.00		0.00	37,444.00
Subgroup : [4100- Cash-Restricted]								
102	UTAH TREASURERS INV. FUND	17,818.00	6,178.00		0.00		0.00	6,178.00 4100-01
Subtotal [4100-02] Cash-Restricted		17,818.00	6,178.00		0.00		0.00	6,178.00
Subgroup : [4100- Cash-Tenant Security Deposits]								
103	SECURITY DEPOSITS	3,037.00	3,719.00		0.00		0.00	3,719.00 4100-01
Subtotal [4100-03] Cash-Tenant Security Deposits		3,037.00	3,719.00		0.00		0.00	3,719.00
Total [4100] Cash & Equivalents		45,933.00	47,341.00		0.00		0.00	47,341.00
Group : [4200] Receivables								
Subgroup : [4200- Accounts Receivable]								
120	A/R	898.00	898.00		0.00		0.00	898.00 4200-01
121	A/R Crown at Meadow Village	26.00	26.00		0.00		0.00	26.00 4200-01
122	A/R Unity Place	9,437.00	0.00		0.00		0.00	0.00 4200-01
Subtotal [4200-03] Accounts Receivable		10,361.00	924.00		0.00		0.00	924.00
Subgroup : [4200- Loan Rec Spring Meadows]								
156	LOAN RECEIVABLE FROM SPRING MEADOWS	18,163.00	13,034.00		0.00		0.00	13,034.00 4200-01
Subtotal [4200-04] Loan Rec Spring Meadows		18,163.00	13,034.00		0.00		0.00	13,034.00
Total [4200] Receivables		28,524.00	13,958.00		0.00		0.00	13,958.00
Group : [4600] Property & Equipment								
Subgroup : [4600- Land]								
141	LAND	87,253.00	30,000.00		0.00		57,253.00	87,253.00 4600-01
Subtotal [4600-00] Land		87,253.00	30,000.00		0.00	RJE - 1	57,253.00	87,253.00
Subgroup : [4600- Furniture & Equip]								
145	FURNITURE & EQUIPMENT	13,238.00	13,238.00		0.00		0.00	13,238.00 4600-01
Subtotal [4600-01] Furniture & Equip		13,238.00	13,238.00		0.00		0.00	13,238.00
Subgroup : [4600- Buildings]								
143	BUILDINGS	477,091.00	534,344.00		0.00		(57,253.00)	477,091.00 4600-01
147	Construction in Progress	0.00	0.00		172,315.00		(57,253.00)	172,315.00
Subtotal [4600-04] Buildings		477,091.00	534,344.00	AJE - 4	172,315.00		(57,253.00)	649,406.00
Subgroup : [4600- Accumulated Depreciation]								
153	ACCUM. DEPR.-BUILDINGS	(156,665.00)	(171,462.00)		(280.00)		0.00	(171,742.00) 4600-01
Subtotal [4600-80] Accumulated Depreciation		(156,665.00)	(171,462.00)	AJE - 2	(280.00)		0.00	(171,742.00)
Total [4600] Property & Equipment		421,917.00	406,120.00		172,035.00		0.00	578,155.00
Group : [5100] Accounts Payable								
Subgroup : [5100- Accounts Payable]								
257	Current Portion - LT Debt	(12,829.00)	0.00		0.00		(12,834.00)	(12,834.00) 5100-01
Subtotal [5100-03] Accounts Payable		(12,829.00)	0.00		0.00	RJE - 3	(12,834.00)	(12,834.00)
Total [5100] Accounts Payable		(12,829.00)	0.00		0.00		(12,834.00)	(12,834.00)
Group : [5200] Accrued Liabilities								
Subgroup : [5200- Accrued Salaries & Wages]								
250	Accrued Fica Taxes Payable	(1,134.00)	(1,055.00)		0.00		0.00	(1,055.00) 5100-01
252	Accrued State W/H Payable	(669.00)	(601.00)		0.00		0.00	(601.00) 5100-01
255	Accrued State Unemp Comp	(51.00)	(48.00)		0.00		0.00	(48.00) 5100-01
256	Accrued FUTA Taxes Payable	(102.00)	(133.00)		0.00		0.00	(133.00) 5100-01
Subtotal [5200-03] Accrued Salaries & Wages		(1,956.00)	(1,837.00)		0.00		0.00	(1,837.00)
Total [5200] Accrued Liabilities		(1,956.00)	(1,837.00)		0.00		0.00	(1,837.00)
Group : [5300] Long-Term Debt								
Subgroup : [5300- Current Portion-LTD]								
262	LESS CURRENT PORTION	0.00	0.00		0.00		0.00	0.00 5300-01
Subtotal [5300-02] Current Portion-LTD		0.00	0.00		0.00		0.00	0.00

Client: *Utah Basin Assistance Council*
Engagement: *AU 2007 - Utah Basin Assistance Council*
Trial Balance: *TB*
Workpaper: *1400-01 - Trial Balance*

Account	Description	1st PP-FINAL 3/31/2006	UNADJ 3/31/2007	JE Ref #	AJE	JE Ref #	RJE	FINAL 3/31/2007
Subgroup : [5300- Noncurrent Portion-LTD								
209	SECURITY DEPOSITS	(3,235.00)	(3,900.00)		0.00		0.00	(3,900.00) 5300-01
212	N/P CN0004 Rehab	0.00	0.00		0.00		0.00	0.00 5300-01
215	N/P- State of Ut #HMOB61 MYTON	0.00	(14,813.00)		(172,315.00)		0.00	(187,128.00) 5300-01
				AJE - 4	(172,315.00)			
217	N/P-State of Ut #WHP10	(60,275.00)	(60,270.00)		0.00		1,438.00	(58,832.00) 5300-01
						RJE - 3	1,438.00	
219	N/P-State of Ut #CN0001	(40,052.00)	(39,229.00)		0.00		2,328.00	(36,901.00) 5300-01
						RJE - 3	2,328.00	
221	N/P-State of Ut #WH0002	(111,559.00)	(111,559.00)		0.00		4,032.00	(107,527.00) 5300-01
						RJE - 3	4,032.00	
223	N/P-State Ut #192-SP0004	(44,066.00)	(44,881.00)		0.00		1,551.00	(43,330.00) 5300-01
						RJE - 3	1,551.00	
224	NP Duplex SM0024	(126,290.00)	(126,281.00)		0.00		3,485.00	(122,796.00) 5300-01
						RJE - 3	3,485.00	
Subtotal [5300-03] Noncurrent Portion-LTD		(385,477.00)	(400,933.00)		(172,315.00)		12,834.00	(560,414.00)
Total [5300] Long-Term Debt		(385,477.00)	(400,933.00)		(172,315.00)		12,834.00	(560,414.00)
Group : [6100] Equity								
Subgroup : [6100- RE								
301	FUND BALANCE	(94,152.00)	(96,311.00)		0.00		0.00	(96,311.00) 6100-01
Subtotal [6100-10] RE		(94,152.00)	(96,311.00)		0.00		0.00	(96,311.00)
Total [6100] Equity		(94,152.00)	(96,311.00)		0.00		0.00	(96,311.00)
Group : [7100] Operating Revenue								
Subgroup : [7100- Rental Revenue								
401	RENTAL INCOME	(47,817.00)	(51,306.00)		0.00		0.00	(51,306.00) 7100-01
Subtotal [7100-02] Rental Revenue		(47,817.00)	(51,306.00)		0.00		0.00	(51,306.00)
Subgroup : [7100- Other Operating Revenue								
403	MANAGEMENT FEE INCOME	(86,458.00)	(85,517.00)		0.00		0.00	(85,517.00) 7100-01
404	MISCELLANEOUS INCOME	(13.00)	0.00		0.00		0.00	0.00 7100-01
422	DEVELOPER FEES INCOME	0.00	0.00		0.00		0.00	0.00 7100-01
Subtotal [7100-03] Other Operating Revenue		(96,471.00)	(85,517.00)		0.00		0.00	(85,517.00)
Subgroup : [7100- Other Government Grants								
425	Slate Grants	(30,000.00)	0.00		0.00		0.00	0.00 7100-01
Subtotal [7100-04] Other Government Grants		(30,000.00)	0.00		0.00		0.00	0.00
Total [7100] Operating Revenue		(174,288.00)	(136,823.00)		0.00		0.00	(136,823.00)
Group : [7300] Operating Expenses								
Subgroup : [7300- Administrative								
502	Bank Charges	0.00	25.00		0.00		0.00	25.00
503	Meals & Entertainment	1,398.00	460.00		0.00		0.00	460.00 7300-01
504	Educational Expense	0.00	0.00		0.00		0.00	0.00 7300-01
507	Advertising	481.00	238.00		0.00		0.00	238.00 7300-01
512	OTHER EXPENSES	0.00	0.00		0.00		0.00	0.00 7300-01
520	DUES & SUBSCRIPTIONS	262.00	469.00		0.00		0.00	469.00 7300-01
527	OFFICE SUPPLIES	3,245.00	2,661.00		0.00		0.00	2,661.00 7300-01
535	PROPERTY TAX	553.00	0.00		0.00		0.00	0.00 7300-01
537	RENT	3,900.00	3,600.00		0.00		0.00	3,600.00 7300-01
541	SUPPLIES	3,640.00	9,762.00		0.00		0.00	9,762.00 7300-01
580	OTHER EXPENSE	68.00	0.00		0.00		0.00	0.00 7300-01
590	Miscellaneous	0.00	0.00		0.00		0.00	0.00 7300-01
Subtotal [7300-01] Administrative		13,547.00	17,215.00		0.00		0.00	17,215.00
Subgroup : [7300- Tenant Services								
549	REHAB EXP-LOW INCOME FUNDS	0.00	0.00		0.00		0.00	0.00 7300-01
Subtotal [7300-02] Tenant Services		0.00	0.00		0.00		0.00	0.00
Subgroup : [7300- Utilities								
522	UTILITIES	4,573.00	4,363.00		0.00		0.00	4,363.00 7300-01
Subtotal [7300-03] Utilities		4,573.00	4,363.00		0.00		0.00	4,363.00
Subgroup : [7300- Ordinary Maintenance & Operations								
514	REPAIRS & MAINTENANCE	8,204.00	5,471.00		0.00		0.00	5,471.00 7300-01
523	EQUIPMENT RENTAL	0.00	14.00		0.00		0.00	14.00
Subtotal [7300-04] Ordinary Maintenance & Operations		8,204.00	5,485.00		0.00		0.00	5,485.00
Subgroup : [7300- Insurance Expense								
525	INSURANCE	18,301.00	19,525.00		0.00		0.00	19,525.00 7300-01
Subtotal [7300-05] Insurance Expense		18,301.00	19,525.00		0.00		0.00	19,525.00

Client: *Uintah Basin Assistance Council*
Engagement: *AU 2007 - Uintah Basin Assistance Council*
Trial Balance: *TB*
Workpaper: *1400-01 - Trial Balance*

Account	Description	1st PP-FINAL 3/31/2006	UNADJ 3/31/2007	JE Ref #	AJE	JE Ref #	RJE	FINAL 3/31/2007	
Subgroup : [7300- Depreciation Expense									
560	DEPRECIATION EXPENSE	17,595.00	15,797.00		280.00		0.00	16,077.00	7300-01
				AJE - 2	280.00				
					280.00		0.00		
	Subtotal [7300-07] Depreciation Expense	17,595.00	15,797.00				0.00	16,077.00	
Subgroup : [7300- Payrol & employee benefits									
505	Pension	6,412.00	6,197.00		0.00		0.00	6,197.00	7300-01
508	Officers Wages	39,378.00	44,131.00		0.00		0.00	44,131.00	7300-01
509	Other Wages	19,177.00	16,937.00		0.00		0.00	16,937.00	7300-01
	Subtotal [7300-09] Payrol & employee benefits	64,967.00	67,265.00		0.00		0.00	67,265.00	
Subgroup : [7300- Payroll Taxes									
531	PAYROLL TAX	5,288.00	4,582.00		0.00		0.00	4,582.00	7300-01
	Subtotal [7300-10] Payroll Taxes	5,288.00	4,582.00		0.00		0.00	4,582.00	
Subgroup : [7300- Professional Fees									
506	Accounting & Legal	7,310.00	8,560.00		0.00		0.00	8,560.00	7300-01
591	Third Party Services	13,053.00	9,219.00		0.00		0.00	9,219.00	7300-01
	Subtotal [7300-11] Professional Fees	20,363.00	17,779.00		0.00		0.00	17,779.00	
Subgroup : [7300- Licenses & Permits									
550	LICENSES AND PERMITS	176.00	100.00		0.00		0.00	100.00	7300-01
	Subtotal [7300-13] Licenses & Permits	176.00	100.00		0.00		0.00	100.00	
Subgroup : [7300- Telephone									
543	TELEPHONE	2,949.00	2,920.00		0.00		0.00	2,920.00	7300-01
	Subtotal [7300-14] Telephone	2,949.00	2,920.00		0.00		0.00	2,920.00	
Subgroup : [7300- Travel & Entertainment									
545	TRAVEL & ENTERTAINMENT	8,422.00	6,386.00		0.00		0.00	6,386.00	7300-01
	Subtotal [7300-15] Travel & Entertainment	8,422.00	6,386.00		0.00		0.00	6,386.00	
	Total [7300] Operating Expenses	164,385.00	161,417.00		280.00		0.00	161,697.00	
Group : [7400] Interest Income									
Subgroup : [7400- Interest Income									
420	INTEREST INCOME	(775.00)	(587.00)		0.00		0.00	(587.00)	7300-01
	Subtotal [7400-01] Interest Income	(775.00)	(587.00)		0.00		0.00	(587.00)	
Subgroup : [7400- Interest Expense									
530	Interest Expense	8,518.00	7,655.00		0.00		0.00	7,655.00	7300-01
	Subtotal [7400-02] Interest Expense	8,518.00	7,655.00		0.00		0.00	7,655.00	
	Total [7400] Interest Income	7,743.00	7,068.00		0.00		0.00	7,068.00	
Sum of Account Groups									
		0.00	0.00		0.00		0.00	0.00	
Net (Income) Loss									
		(2,160.00)	31,662.00		280.00		0.00	31,942.00	

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2				
To record depreciation expense to actual.				
560	DEPRECIATION EXPENSE	4600-03	280.00	
153	ACCUM. DEPR.-BUILDINGS			280.00
Total			280.00	280.00

Adjusting Journal Entries JE # 4

To properly record notes payable for construction draws in the current year.

147	Construction in Progress	172,315.00	
215	N/P- State of Ut #HMO861 MYTON		172,315.00
Total		<u>172,315.00</u>	<u>172,315.00</u>

FYE: 3/31/2007

Asset *	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Buildings & Improvements											
2	Vernal Property	4/01/95	130,000.00	0.00	0.00	38,038.88	3,250.00	41,308.88	88,691.12	S/L	40.0
8	Triplex Building	2/28/98	29,939.74	0.00	0.00	7,277.79	748.49	8,026.28	21,913.46	S/L	40.0
10	Domestic Violence Shelter	4/01/95	55,656.00	0.00	0.00	16,207.52	1,391.40	17,598.92	38,057.08	S/L	40.0
11	Carpet-Vernal Property	9/15/98	3,667.63	0.00	0.00	2,978.78	0.00	3,667.63	0.00	S/L	7.0
12	Triplex Rehab	4/01/99	17,021.55	0.00	0.00	2,978.78	425.54	3,404.32	13,617.23	S/L	40.0
13	Roosevelt Residence	2/01/99	46,312.50	0.00	0.00	9,938.15	1,157.81	11,095.96	35,216.54	S/L	40.0
14	Duplex-985 W 100 N	2/24/00	116,187.50	0.00	0.00	21,122.37	2,904.69	24,027.06	92,160.44	S/L	40.0
15	Triplex Rehab	6/24/99	30,630.00	0.00	0.00	5,168.81	765.75	5,934.56	24,695.44	S/L	40.0
16	Water Heaters & Sinks Rei	4/01/99	2,380.00	0.00	0.00	2,380.00	0.00	2,380.00	0.00	S/L	7.0
17	3 Fridges, Hoods, Rangers	5/19/99	2,787.93	0.00	0.00	2,721.58	66.35	2,787.93	0.00	S/L	7.0
18	Repair & Paint Vernal Pro	11/04/99	2,200.00	0.00	0.00	2,200.00	0.00	2,200.00	0.00	S/L	5.0
19	Carpet-Rehab Triplex	6/18/99	1,988.60	0.00	0.00	1,988.60	0.00	1,988.60	0.00	S/L	5.0
21	Privacy Fence Duplex	5/22/00	2,507.00	0.00	0.00	1,462.42	250.70	1,713.12	793.88	S/L	10.0
24	Asphalt Paving-Triplex	11/18/00	4,500.00	0.00	0.00	3,482.16	642.86	4,125.02	374.98	S/L	7.0
25	Appraisals	5/15/00	8,600.00	0.00	0.00	7,269.04	1,228.57	8,497.61	102.39	S/L	7.0
26	Construction Lumber	11/25/00	14,572.84	0.00	0.00	11,103.09	2,081.83	13,184.92	1,387.92	S/L	7.0
27	Landscaping	6/01/01	4,436.00	0.00	0.00	3,062.94	633.71	3,696.65	739.35	S/L	7.0
29	Sidewalks	11/01/01	3,704.00	0.00	0.00	2,337.04	529.14	2,866.18	837.82	S/L	7.0
	Buildings & Improvements		477,091.29	0.00c	0.00	142,426.80	16,076.84	158,503.64	318,587.65		
Group: Furniture & Equipment											
3	Office Equipment	4/01/95	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	0.00	S/L	5.0
4	Computer Software	10/16/95	396.00	0.00	0.00	396.00	0.00	396.00	0.00	S/L	5.0
5	Xerox Copier	11/08/95	2,345.00	0.00	0.00	2,345.00	0.00	2,345.00	0.00	S/L	5.0
6	HP Fax 700	11/08/95	625.00	0.00	0.00	625.00	0.00	625.00	0.00	S/L	5.0
7	Cobra XLT Pentium Computer	8/16/00	1,598.00	0.00	0.00	1,598.00	0.00	1,598.00	0.00	S/L	5.0
22	Computer Equipment	8/16/00	7,274.34	0.00	0.00	7,274.34	0.00	7,274.34	0.00	S/L	5.0
	Furniture & Equipment		13,238.34	0.00c	0.00	13,238.34	0.00	13,238.34	0.00		
Group: Land											
1	Land Vernal Property	4/01/95	15,000.00	0.00	0.00	0.00	0.00	0.00	15,000.00	Land	0.0
9	Land - Vernal Investment	4/01/95	15,000.00	0.00	0.00	0.00	0.00	0.00	15,000.00	Land	0.0
30	Land- Triplex Building	2/28/98	6,909.17	0.00	0.00	0.00	0.00	0.00	6,909.17	Land	0.0
31	Land- Don Violence Shelter	4/01/95	12,844.00	0.00	0.00	0.00	0.00	0.00	12,844.00	Land	0.0
32	Land- Roosevelt Residence	2/01/99	10,687.50	0.00	0.00	0.00	0.00	0.00	10,687.50	Land	0.0
33	Land- Duplex 985 W 100 N	2/24/00	26,812.50	0.00	0.00	0.00	0.00	0.00	26,812.50	Land	0.0
	Land		87,253.17	0.00c	0.00	0.00	0.00	0.00	87,253.17		
	Grand Total		577,582.80	0.00c	0.00	155,665.14	16,076.84	171,741.98	405,840.82		